

# Michigan Department of Treasury Nexus Questionnaire

Issued under authority of P.A. 228 of 1975.

Legal Name of Business (Type or Print)	Federal Employer ID No. (FEIN) or TR No.
d/b/a	Tax Year(s) Ending (MM/DD/YR)
Street Address	<p>Organization Type (check one)</p> <p>a. <input type="checkbox"/> Individual                      b. <input type="checkbox"/> Fiduciary</p> <p>c. <input type="checkbox"/> Professional Corporation      d. <input type="checkbox"/> S-Corporation</p> <p>e. <input type="checkbox"/> C-Corporation                      f. <input type="checkbox"/> Partnership</p> <p>g. <input type="checkbox"/> Limited Liability Company      h. <input type="checkbox"/> Limited Liability Partnership</p> <p>i. <input type="checkbox"/> Other _____</p>
City, State, ZIP	
State of Incorporation	
Date Incorporated	

Revenue Administrative Bulletins (RABs) 1998-1 and 1999-1 describe the jurisdictional standards for Michigan Single Business Tax and Use Tax, respectively. Nexus for Michigan Single Business Tax and Use Tax is established under the Due Process and Commerce Clauses of the U.S. Constitution. Both standards are applied retroactively. The RAB's can be accessed through the Michigan Department of Treasury's web site at [www.michigan.gov/treasury](http://www.michigan.gov/treasury). The table in question 7, and tables 1 and 2 on page 3 list types of business activities and properties which create nexus. Please refer to the tables when completing the questionnaire.

1. Briefly describe your firm's **business activity**. (See question 7 on pgs. 2 and 3, and Tables 1 and 2 on pg. 3.)

---



---



---

**"Business activity,"** as defined in MCL 208.3(2); MSA 7.558(3) " ... means a transfer of legal or equitable title to or rental of property, whether real, personal, or mixed, tangible or intangible, or the performance of services, or a combination thereof, made or engaged in, or caused to be made or engaged in, within this state, whether in intrastate, interstate, or foreign commerce, with the object of gain, benefit, or advantage, whether direct or indirect, to the taxpayer or to others, but shall not include the services rendered by an employee to his employer, services as a director of a corporation, or a casual transaction. Although an activity of a taxpayer may be incidental to another or other of his business activities, each activity shall be considered to be business engaged in within the meaning of this act."

2. Please check all that apply to your business activity.

☐ Sale of property. Indicate type below.                      ☐ Rental of property (whether property is real, personal, tangible or intangible)                      ☐ Performance of services

☐ Real                      ☐ Tangible

☐ Personal                      ☐ Intangible

Describe below how your company sells its product(s) and/or service(s) in the State of Michigan.

---



---

3. Does your company, own, rent, lease, maintain, or have the right to use any tangible personal property or real property permanently or temporarily physically located in Michigan? (See Table 2 on page 3.) If yes, please indicate year(s) property held in Michigan. \_\_\_\_\_ ☐ Yes                      ☐ No

4. Do your employees - in their capacity as an employee - own, rent, lease, use, or maintain an office or other establishment in Michigan? (See Table 2 on page 3.) If yes, please indicate year(s) property held in Michigan. \_\_\_\_\_ ☐ Yes                      ☐ No

5. Do agents, **representatives**, independent contractors, brokers or others acting on your behalf, own, lease, use or maintain an in-state office or other establishment which is significantly associated with your ability to establish or maintain a market in Michigan? (See Table 2 on page 3.) If yes, please identify which year(s) ..... ☐ Yes ☐ No

**"Representative"** means any individual or entity that conducts business activities in the taxing State on behalf of another. The term does not include employee. The term includes, without any limitation on the foregoing, agents, corporate or other business entities, related or unrelated to the other business, and independent contractors. The term also includes **sub-representatives**.<sup>1</sup> A representative may be a resident or nonresident of the taxing state.

6. How are goods delivered to Michigan purchasers?

- ☐ Common Carrier ☐ Contract Carrier ☐ Vehicles owned, leased, used or maintained by your company ☐ By a related party ☐ By a representative
- ☐ Other: \_\_\_\_\_

**"Related Party"** means any individual or entity that qualifies or would qualify as (i) an affiliated group or a controlled group of corporations under section 1563 of the internal revenue code or (ii) an entity under common control under internal revenue code regulation 1.414(c)-2 provided that "50 percent" shall be substituted for "80 percent" in determining when an individual or entity is part of an affiliated group, a controlled group of corporations, or an entity under common control.

7. Do your employees, agents, representatives, independent contractors, brokers or others (both Michigan residents and nonresidents) conduct business activity in Michigan on your behalf? If yes, for each activity listed below enter the applicable tax year(s) and indicate the number of days activities were performed in Michigan during the 12-month taxable year. Attach additional sheets if necessary. ☐ Yes ☐ No

Tax Year(s)	Number of Days During the 12-Month Taxable Year				Activity Conducted in Michigan
	0	1	2-9	10 or more	
_____ _____ _____ _____	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Physical contact within Michigan soliciting sales through employees, agents, representatives, independent contractors or others acting on your behalf.
_____ _____ _____ _____	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Make repairs or provide maintenance or service to property sold or to be sold to Michigan customers.
_____ _____ _____ _____	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Collect on current or delinquent accounts through assignment or otherwise. This does not include financial institutions or banks unless they make sales of tangible personal property.
_____ _____ _____ _____	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Install or supervise installation at or after shipment or delivery.
_____ _____ _____ _____	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Conduct training for employees, agents representatives, independent contractors, brokers or others acting on your company's behalf, or for customers or potential customers.

*Continued on next page.*

<sup>1</sup> **"Sub-representative"** means a party to whom a representative delegates authority. An under-representative; a substituted representative; a representative appointed by one who is a representative. A person appointed by a representative to perform some duty, or the whole of the business, relating to their representation. A person employed by a representative to assist in transacting the affairs of their principal. But a mere servant of a representative is not a "sub-representative." A sub-representative is a person appointed by a representative empowered to do so, to perform functions undertaken by the representative for the principal, but for whose conduct the representative agrees with the principal to be primarily responsible.

Tax Year(s)	Number of Days During the 12-Month Taxable Year				Activity Conducted in Michigan
	0	1	2-9	10 or more	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Provide customers with any kind of technical assistance or service including, but not limited to, engineering assistance, design service, quality control, product inspections, or similar services.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Investigate, handle, or otherwise assist in resolving customer complaints.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Provide consulting services.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Solicit, negotiate, or enter into franchising, licensing or similar agreements.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Participate at a trade show at which no orders for goods are taken and no sales are made.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

In addition to the activities listed in question 7, the following tables, which are not all-inclusive, list in-state activities and types of property which create nexus. The tables are provided as an aid to answering questions 1, 3, 4, and 5.

Table 1
Business Activities Which Create Nexus
<ul style="list-style-type: none"> <li>• Reposses property</li> <li>• Perform credit checks or authorize credit</li> <li>• Pick up or replace damaged, defective or returned property</li> <li>• Maintain sample or display room</li> <li>• Meet with customers to determine user satisfaction</li> <li>• Lease employment or personnel services</li> <li>• Sell additional service contracts</li> <li>• Approve or accept purchase orders</li> <li>• Inspect dealer inventories to ensure adequacy</li> <li>• Provide shipping information and/or coordinate deliveries</li> <li>• Perform managerial or research activities</li> <li>• Perform computer data processing</li> <li>• Provide private investigation, protection, patrol, watchman or armored car services</li> <li>• Perform other types of services than those listed</li> <li>• Review customer displays and shelving</li> <li>• Conduct seminars</li> <li>• Replace stale product</li> <li>• Provide transportation services</li> </ul>

Table 2
Real and Tangible Personal Property Held in Michigan Which Create Nexus
<ul style="list-style-type: none"> <li>• Repair shop</li> <li>• Warehouse</li> <li>• Parts department</li> <li>• Employment office</li> <li>• Mobile office</li> <li>• Meeting place for directors</li> <li>• Telephone answering service</li> <li>• Office equipment</li> <li>• Purchasing office</li> <li>• Retail outlet</li> <li>• In-home office <sup>2</sup></li> <li>• Fixtures of any kind</li> <li>• Motor vehicles of any kind</li> <li>• Motor store(s) (trucks with driver sales person)</li> <li>• Stock of goods (including consignment)</li> <li>• Tools and dies at suppliers</li> <li>• Other</li> </ul>

<sup>2</sup> Used as business address, location to receive callers, store inventory, or where office expenses are paid, reimbursed or supplied by your company.

***I declare, under penalty of perjury, that the information provided in this questionnaire and any attachments is, to the best of my knowledge, true, correct and complete. If prepared by a person other than an officer, partner or owner of the business, this declaration is based on all information of which you have knowledge.***

Name of Officer, Partner or Owner	Date
Print or Type Name and Title	Telephone Number
Mailing Address If Different Than Address on Page 1	
<hr/>	
Name of Preparer	Date
Print or Type Name and Title	Telephone Number
Preparer's Mailing Address	

For a more complete explanation of Michigan's Single Business Tax Nexus Standard and Michigan's Use Tax Nexus Standard call 1-800-FORM-2-ME (1-800-367-6263) and request Revenue Administrative Bulletins (RABs) 1998-1 and 1999-1 or visit our Web site at: **[www.michigan.gov/treasury](http://www.michigan.gov/treasury)**